

The Professional

Volume 8, Issue 1

January 2017

Special points of interest:

- National Budget Speech
22 February 2017
- 2016 Tax Acts promulgated on 20 January 2017
- Accounting positions available

Inside this issue:

Research and development	2
Interest on loans	4
Penalties	
Fruit & vegetables	5
CIPC	6
Changes to municipal borders	
SARS news	7
Statutory forms	8
Commissioner of Oaths	10
Fees	11
CPD	12
Members	13

Promulgation of
TAX AMENDMENT LAWS 2016



Scientific or technological research and development

Draft Interpretation Note 50 (Issue 2) was published for public comment. This Interpretation Note (IN) provides guidance on the interpretation and application of section 11D. The first issue of IN 50 remains relevant for Research and Development (R&D) deductions on expenditure incurred before 1 October 2012.

What is R&D?

Section 11D(1) defines R&D as the systematic investigative or systematic experimental activities of which the result is uncertain for the purpose of -

- discovering non-obvious scientific or technological knowledge;
- creating or developing
 - * an invention (as defined in section 2 of the Patents Act),
 - * a functional design as defined in section 1 of the Designs Act, capable of qualifying for registration under section 14 of that Act which is innovative in respect of the functional characteristics or intended uses of that functional design
 - * a computer program as defined in section 1 of the Copyright Act which is of an innovative nature; or
 - * knowledge essential to the use of such invention, functional design or computer program other than creating or developing operating manuals or instruction manuals or documents of a similar nature intended to be utilised in respect of that invention, functional design or computer program subsequent to the research and development being completed
- making a significant and innovative improvement to any invention, functional design, computer program or knowledge mentioned above for the purposes of new or improved function; improvement of performance; improvement of reliability; or improvement of quality, of that invention, functional design, computer program or knowledge;
- creating or developing a multisource pharmaceutical product, as defined in the World Health Organisation Technical Report Series, No. 937, 2006 Annex 7 Multisource (generic) pharmaceutical products: guidelines on registration requirements to establish interchangeability issued by the World

Health Organisation, conforming to such requirements as must be prescribed by regulations made by the Minister after consultation with the Minister for Science and Technology; or

- conducting a clinical trial as defined in Appendix F of the Guidelines for good practice in the conduct of clinical trials with human participants in South Africa issued by the Department of Health (2006), conforming to such requirements as must be prescribed by regulations made by the Minister after consultation with the Minister for Science and Technology.

What is not R&D?

The following are specifically excluded from the definition of R&D:

- routine testing, analysis, collection of information or quality control in the normal course of business;
- development of internal business processes unless those internal business processes are mainly intended for sale or for granting the use or right of use or permission to use thereof to persons who are not connected persons in relation to the person carrying on that research and development;
- market research, market testing or sales promotion;
- social science research, including the arts and humanities;
- oil and gas or mineral exploration or prospecting except research and development carried on to develop technology used for that exploration or prospecting;
- the creation or development of financial instruments or financial products;
- the creation or enhancement of trademarks or goodwill; or
- any expenditure contemplated in section 11(gB) or (gC) of the Income Tax Act.

**A leader is one
who knows the
way, goes the
way and shows
the way.**

**John C.
Maxwell**



Deduction of R&D expenditure

Section 11D(2) allows a taxpayer to deduct 150% of expenditure actually incurred by that taxpayer directly and solely in respect of the carrying on of R&D in South Africa if

- that expenditure is incurred in the production of income;
- that expenditure is incurred in the carrying on of any trade;
- that research and development is approved in terms of section 11D(9); and
- that expenditure is incurred on or after the date of receipt of the application by the Department of Science and Technology for approval of that research and development in terms of section 11D(9).

Exclusions

Section 11D(2)(b) denies deduction under section 11D in respect of expenditure incurred in respect of

- immovable property, machinery, plant, implements, utensils or articles excluding any prototype or pilot plant created solely for the purpose of the process of research and development and that prototype or pilot plant is not intended to be used or is not used for production purposes after that research

and development is completed;

- financing, administration, compliance and similar costs.

Allowances under sections 12C and 13 can be considered for capital assets. These allowances are however limited to 100%.

Funding

A taxpayer may deduct R&D expenditure incurred to fund expenditure of another person

- if that research and development is approved by the Minister of Science and Technology in terms of section 11D(9);
- if that expenditure is incurred in respect of research and development carried on by that taxpayer;
- to the extent that the other person carrying on the research and development is an institution, board or body that is exempt from normal tax under section 10(1)(cA); or (bb) the Council for Scientific and Industrial Research; or a company forming part of the same group of companies, as defined in section 41, if the company that carries on the research and development does not claim a deduction under section 11D(2); and

- if that expenditure is incurred on or after the date of receipt of the application by the Department of Science and Technology for approval of that research and development in terms of section 11D(9).

The deduction is limited to 150% of the actual expenditure incurred directly and solely in respect of that R&D carried on by the other company that is being funded.

Funds received or accrued from a South African Government Department, Public Entity (Schedule 2 or 3 of the PFMA) or municipal entity to fund research must not be taken into account for the deduction, i.e. 150% deduction is limited to costs not covered by these above mentioned government funding.

**REMEMBER TO SUBMIT
COMMENTS ON THE
DRAFT INTERPRETA-
TION NOTE ON/BEFORE
10 FEBRUARY 2017.**



*If people like
you, they'll
listen to you,
but if they trust
you, they'll do
business with
you.*

Zig Ziglar

Accounting positions offered

A corporate company is looking for accountants with B Com degrees with some form of medical disability.

Please contact Aziza Galiel on 021 593 1084 or Cell 079 235 5158 for more detail.





Interest on loans used to acquire shares—Income Tax

Binding Private Ruling 260 dealing with the deductibility of interest where loans were used to acquire shares.

Background

The Applicant is the main trading subsidiary within a group of listed companies. The Applicant has always sought to make new acquisitions by buying the assets and the businesses from companies that are the sellers. In a small minority of cases, however, the Applicant was compelled to buy the shares in the companies rather than the

assets and the business itself. In those cases in which the Applicant acquired the shares, it immediately took steps to procure the distribution of the assets and the businesses of the companies as a liquidation distribution. In these cases the purchase price was paid by the applicant out of its cash reserves. The Applicant did however have to incur debt to acquire the shareholding in company A and B. The Applicant relied on section 24O to deduct interest in respect of these debts. It was the Appli-

cant's intention, as soon as the relevant loan had been repaid, to cause the underlying company to distribute its assets and its business under section 47 of the Act.

Ruling

The interest incurred on the loans owing by the Applicant, which were obtained to fund the acquisition of the shares in Company A and Company B, will continue to be deductible. The interest will not be disallowed as a deduction under section 23(f) and (g).

*As soon as you
trust yourself,
you will know
how to live.*

*Johann
Wolfgang von
Goethe*

Deduction of penalties

Section 23(o) prohibits the deduction of expenditure incurred in respect of corruption (or corrupt activity) or a fine or penalty imposed as a result of an unlawful activity. IN 54(2), which was published on 25 January 2017 examines the scope of section 23(o).

The general offence of corruption is very widely defined as is the concept of gratification. The Prevention and Combating of Corrupt Activities Act 12 of 2004 (PCCA Act) defines corruption in section 3 to include an agreement to give, or an offer to give or the giving of a benefit that is not due to a person vested with a duty intending to influence the receiver to do something or to refrain from doing something or rewarding the person for having done or refrain from doing something at variance with his/her duty.

Penalties outside s23(o)

Not all penalties payable result from an "unlawful act" and will thus not be barred as a deduction by section 23(o)(ii). Nev-

ertheless such commercial penalties still need to meet the requirements of sections 11(a) and 23(g) in order to be deductible.

A typical example is found in the building industry. In concluding building contracts, the owner and the contractor would normally agree on the completion of work on or before a certain date. A penalty clause is added under which the contractor must pay the owner a certain sum of money for each day the operations continue after the date of completion as agreed upon.

The clause becomes operative and the contractor must pay the sum of money stipulated if the contractor breaches the contract by failing to complete the work in time. Such a penalty is not unlawful and will likely meet the requirements for deductibility of section 11(a). It is however important to consider the facts and circumstances of each case before deciding whether a particular penalty is deductible under section 11(a) read with section 23(g).

Compensation and damages

Fines and penalties must be distinguished from amounts payable as compensation or damages. Amounts payable as compensation or damages may qualify for a deduction under section 11(a) and will not be denied under section 23(o).

The principles laid down in *Port Elizabeth Electric Tramway Co. Ltd v CIR* will apply to the payment of compensation or damages.

Section 23(o) has put it beyond doubt that corrupt payments such as bribes, fines and penalties for unlawful activities are not deductible for income tax purposes. However, the deductibility of bona fide commercial penalties remains unaffected by the provision. Such commercial penalties are subject to the normal tests for deductibility under the general deduction formula.



Vegetables and Fruit—BGR 38

Binding General Ruling 38 (BGR 38) was published on 23 January 2017 to deal with the VAT treatment of the supply and importation of vegetables and fruit.

Zero-rated supplies

The supply of vegetables and fruit that have not been cooked or treated in any manner except for the purpose of preserving such vegetables and fruit in their natural state qualifies for zero-rating under section 11(1)(j) read with Item 12 and Item 13 respectively.

Fresh and frozen vegetables and fruit supplied in the following manner are regarded as not having been “treated” as envisaged in the said Item numbers, and therefore qualify for zero-rating: cut, diced, sliced, shredded, crushed, minced, pureed, peeled, de-pitted or compressed.

The zero-rating applies irrespective of whether the fruit or vegetables are sold individually or mixed.

Frozen vegetables and fruit that have been blanched in hot water are regarded as having been “treated” for the purpose

of preserving the vegetables and fruit in their natural state, and therefore, the supply of such frozen vegetables and fruit qualify for the zero rating.

These items are also exempt from VAT on importation.

The supply of a mix or a combination of vegetables and fruit by a store or similar establishment, whether or not at the delicatessen section of the establishment, may be zero-rated unless the vegetables and fruit are subject to 14% VAT as discussed below.

The vendor must however retain acceptable documentary proof as listed in IN 31.

Standard rated supplies

Fruit and vegetables supplied in the following manner are specifically excluded from zero-rating and are therefore subject to 14% VAT:

- Cut, diced, sliced or peeled vegetables or fruit to which any other substance has been added whether or not separately packed in the same container (other than for purposes of preserving the vegetables or fruit in their

natural state). For example,

- ◊ a sachet of spices added to sliced mushrooms;
- ◊ fruit juice added to sliced fruit or a mixture of vegetable and fruit; and
- ◊ salad dressing and/or cheese added to a green salad.

- Fresh or frozen vegetables and fruit that have been treated with an additive for the purpose of adding colour or flavour (for example, glucose, sugar or salt).
- Dehydrated, dried, canned or bottled vegetables or fruit.
- Vegetables or fruit smoothies or juices, and any similar products.

The supply of vegetables and fruit in the course of carrying out any agreement for the furnishing or serving of any meal, refreshment, cooked or prepared food or any drink, so as to be ready for immediate consumption when supplied, is subject to VAT at the rate of 14%.



**Trust, but
verify.**

Ronald Reagan

CGT - Employee share trust

Binding Private Ruling 259 (published 18 January 2017) sets out the capital gains tax consequences for an employee share trust on the vesting of the shares in employees of the company and its subsidiaries as a consequence of an employee share ownership plan.

The ruling was based on the interpretation and application of section 8C of the Income Tax Act and paragraphs 20(1)(h)(i), 35, 38 and 80 of the

Eighth Schedule.

Background

As part of the Applicant's BEE commitment, qualifying employees will obtain equity shares as part of the share ownership plan. The Applicant will issue shares to an employee ownership trust. The Employer Companies settle the subscription consideration for the shares in cash. The qualifying employees will acquire par-

ticipation interests in the Trust which will confer proportionate vested rights to trust income for 5 years, voting rights and underlying shares on specified date.

Ruling

The Trust will not realise a capital gain or loss on the disposal of the group shares when those shares vest in the Qualifying Employees.





CIPC Notices

Notice 63 of 2016

The Companies and Intellectual Property Commission (CIPC) notices that high volumes of applications were rejected due to the fact that persons only submit a copy of the front of the smart ID card. The barcode on the smart ID cards are however on the back of these cards and therefore both sides of the ID card needs to be provided to CIPC. The CIPC requires that both sides (front and back) of the smart ID card must be copied on the same page when

submitting copies of smart ID cards. These copies must furthermore be certified by a Commissioner of Oaths to be a true copy.

Notice 01 of 2017

There is still a backlog on some 2016 unattended/unresolved disclosure requests which remain open on the Disclosure Workflow until the requested documents are dispatched to the client. Clients must not re-submit a request previously submitted as this will result in duplication. Clients who have

not previously enquired regarding the status of their disclosure requests can use the 'enquiries portal on the CIPC website.

Notice 02 of 2017

Company registration may differ from the company's incorporation number as a result of the automation of CIPC's system which assigns the year of registration as the year within which the application was received while the incorporation date is the actual date that the company was registered.

*To be trusted is
a greater
compliment
than being
loved.
George
MacDonald*



Changes to municipal boundaries—BGR 39

Binding General Ruling 39 (BGR 39) was published on 27 January 2017 to set out the VAT treatment of the transfer of assets, liabilities, rights and obligation as a result of changes to municipal boundaries.

The effect of BGR 39 is that as at the effective date of the municipal boundary change –

- no supply of any goods or services is made by the existing municipality and consequently, there will be no output tax payable by the existing municipality under section 16(4);
- no goods or services are acquired by the superseding municipality from the existing municipality, and consequently, no input tax deduction will be allowed under section 16(3) to the superseding municipality;
- no change of use adjustments under section 18 will be allowed to, or required by, either the existing municipality or the superseding municipality;

- an output tax or input tax adjustment may be required under section 15(5) if the existing and superseding municipalities do not account for VAT on the same accounting basis;

- the provisions of section 8(2) will not apply to the existing municipality upon its disestablishment and subsequent deregistration for VAT purposes unless any goods or rights capable of assignment, cession or surrender are not transferred to the superseding municipality as a result of the municipal boundary change, in which case, section 8(2) shall only apply to that extent;

- for the purposes of sections 16(2), 16(3), 17(1), 20 and 21, any valid tax invoice, debit or credit note or other prescribed document which has been issued in the name of the existing municipality, may be used as acceptable documentary proof for the purposes of deducting input tax or other allowable deduction in the name of the

superseding municipality for a period of six months after the effective date of the municipal boundary change, provided such deduction has not previously been allowed to the existing municipality;

- for the purposes of calculating the superseding municipality's apportionment percentage as prescribed by section 17(1) and the related annual adjustment, symbols (a), (b) and (c) in the Formula in BGR 4 (Issue 3) shall be the aggregate of the values of those symbols for the existing and superseding municipalities for the financial year concerned; and
- as a superseding municipality becomes the successor in law of the existing municipality, the superseding municipality is liable to account to SARS for any VAT liability or outstanding VAT returns in relation to the activities of the existing municipality which arose before the effective date of the municipal boundary change.

E-DNA

SARS is concerned about Identity theft and is of the view that the eDNA system will assist in safeguarding taxpayer information through validation of taxpayer information against information submitted at the Department of Home Affairs.

eDNA is a taxpayer verification system where the taxpayer's finger print and / or national identification will be validated against the Department of Home Affairs' database information.

Taxpayers' fingerprints will be captured and authenticated when the taxpayer visits the SARS branch for:

- Changing bank details;
- Performing all single registration cases;
- Dispute cases;
- Suspension of debt cases;
- VAT refund reviews.

The system was initially the only implemented in the Pretoria North, George and Durban branches but will be rolled out at other SARS branches in a phased approach.

More information can be obtained from the SARS Contact Centre on 0800 00 7277.



What's new @ SARS?

Amendment Acts

- * Rates and Monetary Amounts and Amendment of Revenue Laws Act 13 of 2016
- * Rates and Monetary Amounts and Amendment of Revenue Laws (Administration) Act 14 of 2016
- * Taxation Laws Amendment Act 15 of 2016
- * Tax Administration Laws Amendment Act 16 of 2016

Drafts for comment

- * IN 50(2) - Deductions in respect of scientific or technological research and development— Comments due 10 February 2017
- * IN 67(3) - Connected persons - Comments due 31 March 2017
- * Draft IN - Classification of risk policy and the once-off election to transfer certain policies or classes of policies issued before 2016 to the risk policy fund - Comments due 31 March 2017

Double taxation agreements (DTAs)

- * Singapore, (effective from 16 December 2016)
- * Zimbabwe (effective from 1 December 2016)

Guides

- * Tax exemption guide for public benefit organisations in South Africa (26 January 2017)
- * Tax guide for micro businesses 2016/17 (26 January 2017)
- * VAT 404 - Guide for vendors

Interpretation Notes

- * IN 54(2) - Deductions - Corrupt activities, fines and penalties (25 January 2017)

Rulings

- * BGR 38 - VAT treatment of the supply and importation of vegetables and fruit (23 January 2017)
- * BGR 39 - VAT treatment of municipalities affected by changes to municipal boundaries (27 January 2017)

**Whoever is
careless with
the truth in
small matters
cannot be
trusted with
important
matters.
Albert Einstein**





Statutory requirements for individuals and businesses

Businesses come in many forms, including sole proprietors, companies, trusts and a number of other structures such as co-operatives and so on. All these entities are compelled to register with a variety of statutory bodies depending on the nature of the business. This article addresses some of the more common registration requirements affecting individuals, close corporations, companies and trusts.

Employees

All businesses that have employees must register with –

- the South African Revenue Services (SARS) as an employer;
- the Department of Labour for Unemployment Insurance Fund (UIF), Skills Development Levy (SDL) and Compensation for Occupational Injuries and Diseases (formerly known as WCA).

VAT

Depending on the value of the annual turnover, businesses may have to register with SARS for value-added tax.

Provisional tax

All sole proprietors and individuals involved in partnerships as well as close corporation members, company directors and trusts must register as provisional tax payers.

Most common statutory returns

The table below features some of the most common statutory returns and their frequency.

Due date	Return	Form
By the 7th of each month	Employees PAYE, UIF and SDL	EMP 201
25th of each month or the last working day of the month	VAT	VAT 201
31 August (current year)	1st Provisional tax payment	IRP 6
28 February (next year)	2nd Provisional tax payment	IRP 6

Note: There could be a third provisional tax payment (sometimes called the topping up payment), depending on the taxable income and the amounts declared in the previous two provisional tax payments

The dates featured in the table only refer to individuals and businesses that have a February year-end. If a business has a year end other than February, the first provisional tax return must be submitted six months before its year-end and the second provisional tax payment must be submitted on the last day of its financial year.

Due date	Return	Form
31 October (1st submission)	Employer reconciliation declaration (interim)	EMP 501
31 May (2nd submission)	Employer reconciliation declaration	EMP 501
31 May	Together with EMP 501, Employee tax certificates	IRP 5, IT3A
When employee join, leave or have a change in remuneration	Employer's declaration of employees	UI 19

*Respect for
ourselves guides
our morals,
respect for
others guides
our manners.*

Laurence Sterne



Statutory returns (continued)

Due date	Return	Form
Annually	Compensation for Occupational Injuries and Diseases	WSA.8
Annually within 30 days of the anniversary date of the Company/CC	Annual duty for Companies and Close Corporations	On-line with CIPC
Within 6 months of year-end	Completion of Annual Financial Statements for Companies and Close Corporations (per Companies Act)	
Annually, once the tax filing season has opened	Tax returns: Individuals, companies, close corporations, trusts	IT12, IT14 or IT12 TR
Within 30 days of making a donation	Donations tax Declaration by donor	IT 144
Within 1 year of date of death or 30 days from date of assessment if assessment is issued within 1 year	Estate Duty Return of information required (by the executor)	REV 267
Within 30 days of declaring a dividend	Dividend withholding tax	DTR 01 and 02 IT 44 and REV 267



*One of the
most sincere
forms of respect
is actually
listening to
what another
has to say.
Bryant H.
McGill*

Tax disputes—Forms and timelines

Due date	Description	Form
Within 30 business days of assessment	Notice of objection	ADR1 or NOO (if done via e-filing)
Within 30 business days of disallowance of objection	Notice of objection	ADR2 or NOA

Should you be unclear on any of the information reflected on these two pages, it is important to contact your accountant as failing to comply with the requirements can lead to penalties and interest being levied against you.

You can also contact the help desk of the Institute of Accounting and Commerce on 021 761 6211.

Ehsaan Nagia
(IAC CEO)





**Knowledge will
give you power,
but character
respect.**

Bruce Lee



Role of a Commissioner of Oaths

A Commissioner of Oaths is appointed for a particular area and can only serve in that position within the area he is appointed. The Commissioner of Oaths assists members of the local community by administering an oath or affirmation or taking a solemn or attested declaration from any person. He may also certify copies of documents as true copies of the original documents.

Fees

The Commissioner of Oaths may not charge a fee for administering an oath or affirmation, attesting a declaration or certifying a document.

Limitations

An Commissioner of Oaths may not administer an oath or affirmation relating to a matter in which he has an interest as he should be unbiased and impartial in relation to the matter contained in the affidavit.

Procedures for certifying a document

The Commissioner of Oaths must compare the copy of the document which must be certified as a true copy of the origi-

nal with the original document and he must ensure that the two documents are, in fact, the same.

If the Commissioner of Oaths is sure that the copy is in fact a true copy of the original document and no unauthorised amendments have been made, the Commissioner of Oaths must write down or stamp that he certifies that the document is a true copy of the original document and that there are no indications that the original document has been altered by unauthorised persons. Thereafter the Commissioner of Oaths must append a signature and also print out name, designation, contact particulars and date or use ready made stamp containing these details.

Personal liability

If copies of documents are not certified correctly as true copies of the original, the Commissioner of Oaths who certified the document, may find himself in court as a co-accused for assisting someone to commit fraud or as a witness to give evidence on the falsified documents.

IAC

The Minister of Justice and Correctional Services amended Government Notice R.903 of 10 July 1998 on 14 October 2016 (GN 1255 *Government Gazette* 40346) to designate the following classes of IAC members to be Commissioners of Oaths:

- Accounting Officers;
- Financial Accountant in Commerce; and
- Certified Tax Practitioner.

For more information, refer to the IAC website under the "Legislation" tab.

Members covenant (1 to 4)

At the beginning of a new year, it is always a good idea to remind ourselves of the member covenant we agree to when we become (and remain) members of the IAC.

As a member of the IAC I shall:

- 1) Strive to the best of my ability to serve the needs of a client efficiently and professionally;
- 2) Conduct myself in a manner consistent with the high

standards and good reputation of Accountants and the Institute. I shall act with fairness and integrity towards all persons with whom my work is connected, towards other members, and in compliance with the letter and the spirit of current statutory and other legal requirements;

- 3) In regard to the affairs of the client, act and perform my professional functions in

good faith, honestly and diligently;

- 4) Always maintain objective, professional standards and ensure that the legitimate interests of the client being advised are paramount in any recommendations and advice given. Always ensure that the clients interests will rank ahead of any other business pressure on, or business commitment that I may have.

2017 Fees

Membership category	Total fee for 2017
Close corporation as accounting officer	1,368.00
Financial accountant in commerce*	1,995.00
Financial accountant in practice*	5,416.70
Technical accountant	1,254.00
Certified tax practitioner*	3,153.80
Associate tax practitioner*	2,618.00
Students on learnership	1,065.90



* Includes public indemnity insurance of R3million.

All amounts are inclusive of VAT.

Assessment fees for new members	
Accounting officer	2,422.50
Tax practitioner	1,083.00
Approved training centre	2,422.50

Penalties for late payment			
Payment date	1 Feb-17 (15%)	1 Mar-17 (25%)	1 Apr-17 (40%)
Financial accountant in practice	615.75	1,026.25	1,642.00
Financial accountant in commerce	262.50	437.50	700.00
Certified tax practitioner	318.00	530.00	848.00
Technical accountant	165.00	275.00	440.00
Associate tax practitioner	247.50	412.50	660.00



Death Announcement

Mr Renato Celestino
1951 – 2017

We learned with regret of the death of one of our valued members, Mr Renato Celestino. He passed on in January 2017.

We at the IAC would like to express our sincere condolences to the Celestino family. Please keep Renato's family in your thoughts and prayers.

Continuous Professional Development

***** CPD DEADLINE FOR 2016 WAS 31 DECEMBER 2016 *****

The Institute, being affiliated with SAQA and registered with CIPC and SARS, requires all its members to comply with our Continued Professional Development (CPD) requirements. CPD refers to on-going post-qualification development aimed at refreshing, updating and developing knowledge and skills of professionals. Our members are required to be competent to carry out their duties and responsibilities and therefore have a duty to maintain a high level of professional knowledge and skills required to carry out their work in accordance with all relevant laws, regulations, technical and professional standards applicable to that work.

All accounting registered members must complete 40 hours of CPD per calendar year (1 January - 31 December) of which a minimum of 50% must be structured and the balance can be unstructured. (Technical Accountants only need to do 50% of the above requirements). Tax practitioners must log a minimum of 15 tax related CPD hours per calendar year, of which 60% must be structured and 40% unstructured. Structured CPD hours can be obtained by attending courses, seminars and lectures and by performing research and or writing technical articles. Attending the monthly IAC discussion groups also counts towards structured CPD hours. Unstructured CPD hours can be obtained by reading technical and business literature, including the IAC's newsletter.

A breakdown of CPD hours for the various categories of membership:

- **Independent Reviewers / Accounting Officer and Accountants in Commerce**
40 CPD hours / annum (20 structured + 20 unstructured dispersed evenly into the various categories on the website) and if any of these members carry Tax Practitioner status they will need to complete 9 structured + 6 unstructured tax hours.
- **Accounting Technicians (only)**
20 CPD hours / annum (10 structured + 10 unstructured hours dispersed evenly into the various categories on the website)
- **Tax Practitioners and Technical Tax practitioners**
15 CPD hours / annum (9 structured tax hours + 6 unstructured hours)

The Board further recommended that CPD hours need to be broken down into the following categories:

- Accounting (i.e. IFRS)
- Taxation
- Company Law
- Auditing & Review Engagements
- Other (which is appropriate to the type of work undertaken by the member).

Members must log their CPD hours on the Institute's website.

Please note that the following penalties will be levied if a member fails to meet the CPD requirements:

First time offenders	R 2 000 and catching up on outstanding CPD hours
Second time offenders	R 5 000 and catching up on outstanding CPD hours
Third time offenders	R 10 000 and catching up on outstanding CPD hours and
More than 3 offences	IAC membership is cancelled.

Welcome to our new members



Independent Accounting Professional (Reviewer) / Certified Tax Practitioner

Practice Number	Surname	Name
AO655368	Coetzee	Jacobus

Financial Accountant in Practice (Accounting Officer) / Certified Tax Practitioner

Practice Number	Surname	Name
AO655441	Venter	Nerina Antoinette

Certified Tax Practitioner

Practice Number	Surname	Name
CTP653363	Nkuna	Elone Oupa
CTP655440	Sam	Carmen Sophia
CTP645081	Nysschen	Juanita
CTP655404	Weigartz	Maizanne

Technical Accountant / Certified Tax Practitioner

Practice Number	Surname	Name
TA655446	Mohan	Ronesh

Associate Tax Practitioner

Practice Number	Surname	Name
ATP655437	Lencioni	Lara

Technical Accountant / Associate Tax Practitioner

Practice Number	Surname	Name
TA655448	Burnell	Alison

Students on Learnership

Membership No	Surname	Name
IAC655443	van der Merwe	Carel Wiehan

Students

Membership No	Surname	Name
IAC655449	Mupinga	Francis
IAC655450	Tshabangu	Nomuthi
IAC655451	Ngejane	Pamela
IAC655447	Msimanga	Thokozile
IAC655439	Nxumalo	Chrysant Dumisani
IAC655433	Percival	Kyle James
IAC655434	Nkomo	Charly Mezene
IAC655435	Ndlovu	Mbongeni



*If we lose love
ad self respect
for each other,
this is how we
finally die.
Maya Angelou*

**INSTITUTE OF
ACCOUNTING AND
COMMERCE**

252 Rosmead Avenue
Wynberg
7780

Phone: (021) 761 6211
Fax: (021) 761 5089

INQUIRIES

General:

Abeeda Busch
info@iacsa.co.za

Membership

Soraya Busch
members@iacsa.co.za

Compliance

Bronwyn Benjamin
compliance@iacsa.co.za

Finance

Valencia Williams
finance2@iac.co.za

Information Technology

Duncan Stark
finance@iacsa.co.za

GM & Technical

Prakash Singh
gm@iacsa.co.za

CEO & Technical

Ehsaan Nagia:
ceo@iacsa.co.za

Office Hours:

Monday - Thursday
08:30 - 16:30
Friday
08:30 - 16:00

www.iacsa.co.za



A dynamic world-class professional accounting institute

The Institute of Accounting and Commerce (IAC) is a professional accounting institute. Established in 1927, it is registered in South Africa as a non profit company (NPC). It is fully self-funded and conducts its business from its Head Office in Cape Town.

MISSION STATEMENT

It is the aim of the Institute of Accounting and Commerce to promote actively the effective utilisation and development of qualified manpower through the achievement of the highest standards of professional competence and ethical conduct amongst its members.

**CIPC SECRETARIAL
SERVICES OFFERED**

RESTORATIONS / RE-INSTATEMENT -R3000

- COMPANY AND CLOSE CORPORATION
- INCLUDING:
 - - PREPARATION OF ALL DOCUMENTS
 - - ADVERTISING
 - - TRACKING OF DOCUMENTS

ANNUAL DUTY - CIPC Fees + R350 (our fees)

- COMPANY
- CLOSE CORPORATION
- NPC
- CO-OPERATIVE

COMPANY, CO-OPERATIVES & NPC

- **REGISTRATION**
- INCLUDING: NAME RESERVATION R695
- MINUTE BOOK - HORTORS R600
- SHARE CERTIFICATES R150 each
- **AMENDMENTS & ALL OTHER CHANGES**
- CHANGE OF DIRECTORS R350
- NAME CHANGE R450
- CHANGE OF REGISTERED ADDRESS R200

CLOSE CORPORATION

- **AMENDMENTS & ALL OTHER CHANGES**
- CHANGE OF MEMBERS R350
- NAME CHANGE R280
- CHANGE OF PRINCIPLE BUSINESS R200
- CHANGE OF REGISTERED ADDRESS R225
- CONVERSION FROM CC TO COMPANY R600
- CHANGE OF ACCOUNTING OFFICER R250

We are able to offer a full range of company secretarial services from routine maintenance through to once-off transactions. We are flexible and adapt our services to your unique company secretarial needs. Our proven processes and procedures ensure excellent service delivery at all times.

For help in meeting your legal duties as a company please contact our offices at

MS TASSIEM ACCOUNTANTS on 021-461 3059 or

Email : secretarial.tassiem@telkomsa.net



IAC Technical Helpline

Phone: (021) 761 6211

Fax: (021) 761 5089

E-mail: Prakash Singh gm@iacsa.co.za
Ehsaan Nagia ceo@iacsa.co.za